

Message Text

CONFIDENTIAL

PAGE 01 BUENOS 02228 012130Z

67

ACTION EB-07

INFO OCT-01 ARA-06 ISO-00 CAB-02 CIAE-00 COME-00 DODE-00

DOT-00 INR-07 NSAE-00 FAA-00 SS-15 NSC-05 L-02 H-02

/047 W

----- 061819

R 012013Z APR 75

FM AMEMBASSY BUENOS AIRES

TO SECSTATE WASHDC 0561

C O N F I D E N T I A L BUENOS AIRES 2228

E. O. 11652: GDS

TAGS: EAIR, AR

SUBJECT: CIVAIR--INFORMAL TALKS WITH GOA

REF: A. STATE 059068 AND B. BUENOS AIRES 1965

1. SECOND INFORMAL DISCUSSION HELD AT FONOFF MARCH 25. ONLY RINALDINI REPRESENTED GOA AND HE SEEMED MORE RELAXED AND FORTHCOMING, PERHAPS BECAUSE HE HAD RECEIVED INSTRUCTIONS AFTER A LONG DELAY AND FOR THE FIRST TIME WAS WILLING TO DISCUSS FREQUENCIES.

2. ROUTES. ECON COUNS FIRST SOUGHT TO CLARIFY GOA STAND ON ROUTE PARITY. RINALDINI SAID THAT GOA WAS NOT, RPT NOT, MAKING ROUTE PARITY A PRECONDITION AND HE UNDERSTOOD THAT US UNABLE ACCEPT IT AS A MATTER OF PRINCIPLE. ROUTE PARITY WAS, HOWEVER, THE PREFERRED GOA APPROACH AND THEY WERE THEREFORE RAISING IT AT FIRST STAGES TO OBTAIN US VIEWS. ECON COUNS REPEATEDLY STRESSED DURING THIS DISCUSSION THAT FROM THE US POINT OF VIEW ROUTE PARITY WOULD GIVE AEROLINEAS VERY VALUABLE RIGHTS FOR WHICH COMPENSATION WOULD BE EXPECTED. THE GOA WAS ASKING FOR A GREAT DEAL. RINALDINI SAID HE UNDERSTOOD THIS BUT WOULD NEVERTHELESS LIKE TO HAVE THE US REACTION.

3. TO GET A BETTER PICTURE OF THE GOA PROPOSAL, RINALDINI WAS ASKED TO BE SPECIFIC AS TO HOW THE AEROLINEAS ROUTE
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 BUENOS 02228 012130Z

DESCRIPTION WOULD READ. HE SAID THAT, ASSUMING THE GOA HAD

EVERYTHING THEY WOULD LIKE TO HAVE, THE ROUTE COULD BE DESCRIBED IN TWO WAYS, TAKING THE AEROLINEAS ROUTE DESCRIPTION IN THE ANNEX TO THE 1972 MEMORANDUM AS A DEPARTURE POINT: FIRST, THE THREE ROUTES TO BE COMBINED, WITH THE ADDITION OF CARACAS TO THE POINTS TO BE SERVED, SAN FRANCISCO AS AN ADDITIONAL TERMINAL POINT ON THE WEST COAST AND MIAMI AS A CO-TERMINAL POINT WITH LOS ANGELES (IN ADDITION TO NEW YORK); AND SECOND, BY ADDING CARACAS TO ALL THREE ROUTES DESCRIBED IN THE ANNEX, ADDING MIAMI AS CO-TERMINAL POINT TO ROUTES (A) AND (B) AND ADDING SAN FRANCISCO TO ROUTE (C). RINALDINI ADDED THAT ROUTE PARITY WAS THE PROPOSAL, AND THE GOA WAS NOT, RPT NOT, ASKING FOR ROUTES WHICH US CARRIERS WERE NOT, OR COULD NOT BE CERTIFICATED TO OPERATE. ALTHOUGH ASKED, HE COULD NOT SAY WHAT SPECIFIC ROUTES AEROLINEAS WOULD OPERATE IF IT HAD THIS WIDE AUTHORITY.

4. FREQUENCIES. RINALDINI INQUIRED WHETHER ECON COUNS WAS ABLE TO SPECIFY US CARRIER WISHES. ECON COUNS REPLIED US NOT YET PREPARED STATE NUMBER OF FREQUENCIES AND PREFERRED LEAVE THIS TO BE DETERMINED IN FORMAL TALKS. RINALDINI WAS ASKED WHETHER HE COULD BE MORE DEFINITE ON AEROLINEAS' FREQUENCIES SINCE THIS WOULD BE HELPFUL IN WASHINGTON. HE SAID AEROLINEAS HOPED TO HAVE 747 IN TIME TO COMMENCE, IF AUTHORIZED, ONE FREQUENCY BY MAY 1. IN ADDITION THEY WANTED 16 WEEKLY 707 FREQUENCIES. AFTER OCTOBER, 1975, PERHAPS AS LATE AS NOV., 1976, THEY PLANNED FOR THREE 747 FREQUENCIES AND 14 707 FREQUENCIES. ECON COUNS COMMENTED THIS SEEMED REASONABLE; HE FELT SURE US CARRIERS WERE INTERESTED IN SOMEWHAT LARGER NUMBER. PRESSED BY RINALDINI AS TO HOW MANY, ECON COUNS SAID HE FELT SURE NUMBER COULD NOT BE EXCESSIVE, SUCH AS 30 OR 40, BUT MIGHT BE ON ORDER OF SIX OR FOUR. HE COULD NOT SAY AT THIS TIME. RINALDINI INDICATED GOA WAS PREPARED ACCEPT IDEA THAT US CARRIERS WOULD OPERATE MORE FREQUENCIES THAN AEROLINEAS. HE DID NOT REFER TO OR INSIST UPON FREQUENCY PARITY CONCEPT.

5. ROUTE FLEXIBILITY. ECON COUNS AGAIN RAISED QUESTION OF CHANGES-OF-GAUGE AND FLEXIBILITY IN GENERAL, CITING THE PAN AM PROBLEM AT CARACAS. HE STRESSED THAT IN ANY MEMORANDUM OR ANY AGREEMENT, US WOULD REQUIRE LANGUAGE COVERING

CONFIDENTIAL

PAGE 03 BUENOS 02228 012130Z

FLEXIBILITY. THIS WOULD APPEAR TO BE ADVANTAGEOUS TO GOA AS WELL AS US. RINALDINI CONCURRED, AND SAID HE DID NOT BELIEVE THIS WOULD BE A PROBLEM.

6. NEARING END OF CONVERSATION, RINALDINI WOUND UP BY STRESSING THAT HE HAD DISCUSSED ALL POINTS WHICH GOA REPS WOULD PLAN TO RAISE DURING FORMAL TALKS. HE HOPED THAT ECON COUNS HAD ALSO COVERED EVERY SUBJECT OF SIGNIFICANCE

WHICH MIGHT ARISE. HE HOPED THAT US REPS WOULD NOT LATER SURPRISE GOA WITH NEW AND UNEXPECTED TOPIC. ECON COUNS SAID THAT ONLY ONE POINT REMAINED TO MENTION. AS RINALDINI WAS AWARE, GOA HAD IN PAST IMPOSED QUOTAS ON BRANIFF FIFTH FREEDOM TRAFFIC. THE US WAS OPPOSED TO REGIONAL QUOTAS AND HOPED THAT THE GOA WOULD NOT AGAIN IMPOSE THEM. THE US WOULD REGRET HAVING TO CONSIDER FIFTH FREEDOM QUOTAS ON AEROLINEAS AND WOULD MUCH PREFER THAT NEITHER SIDE SHOULD BE SUBJECT TO SUCH QUOTAS. RINALDINI SAID HE WAS NOT TOO FAMILIAR WITH PROBLEM BUT IT WAS HIS IMPRESSION THAT US PROPOSAL, I.E., THAT NEITHER SIDE SHOULD IMPOSE QUOTAS, WOULD PROBABLY AGREE WITH GOA VIEWS.

7. COMMENT: IT APPEARS TO EMBASSY THAT IN ITS REQUEST FOR "ROUTE PARITY" GOA IS MAKING VERY EXTRAVAGANT PROPOSALS. ONLY CONCESSION THAT THEY APPEAR WILLING TO MAKE IS THAT US SHOULD HAVE MORE FREQUENCIES THAN ARGENTINE CARRIER. THIS DOES NOT SEEM TO EMBASSY REALISTIC BASIS ON WHICH TOO PURSUE EITHER INFORMAL OR FORMAL TALKS. WE SUGGEST ECON COUNS INFORM RINALDINI THAT GOA ROUTE AMBITIONS UNREALISTIC AND SHOULD BE REDUCED SO THAT BALANCED AGREEMENT OR UNDERSTANDING CAN BE REACHED. ACTION REQUESTED: DEPARTMENT'S INSTRUCTIONS OR COMMENTS.

8. TIMING OF TALKS. AS IS INDICATED BY AEROLINEAS' DESIRE FOR INTRODUCTION IN MAY OF 747 SERVICE THEY WOULD LIKE TO MOVE AHEAD WITH TALKS PROMPTLY. EMBASSY CONTINUES TO BELIEVE THAT IS ALSO IN US INTEREST TO PROCEED AS QUICKLY AS POSSIBLE. WHILE WE BELIEVE ONE OR TWO MORE INFORMAL SESSIONS MAY BE NECESSARY TO ESTABLISH THAT THERE IS A BASIS FOR AGREEMENT, WE HOPE DEPARTMENT WILL BE ABLE GIVE TENTATIVE CONSIDERATION TO FORMAL TALKS IN NEAR FUTURE. AS DEPARTMENT HAS POINTED OUT, FACT THAT AEROLINEAS WANTS TO CONFIDENTIAL

CONFIDENTIAL

PAGE 04 BUENOS 02228 012130Z

INTRODUCE 747 AND IS ALREADY TRAINING PILOTS GIVES US CONSIDERABLE LEVERAGE. FURTHERMORE, WE BELIEVE A NUMBER OF KEY GOA OFFICIALS, PARTICULARLY IN MINISTRY OF TRANSPORT AND FONOFF, ARE GENUINELY INTERESTED IN REACHING AGREEMENT.

9. PAN AM AND LOCAL REPS BRIEFED ON SUBSTANCE OF DISCUSSIONS. MONTLLOR

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: AIRLINES, NEGOTIATIONS, AIR ROUTE APPLICATIONS, PARITY PRICES
Control Number: n/a
Copy: SINGLE
Draft Date: 01 APR 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: GolinoFR
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975BUENOS02228
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: D750113-0107
From: BUENOS AIRES
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t19750495/aaaadicj.tel
Line Count: 161
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EB
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: 75 STATE 059068, 75 AND BUENOS AIRES 1965
Review Action: RELEASED, APPROVED
Review Authority: GolinoFR
Review Comment: n/a
Review Content Flags:
Review Date: 02 SEP 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <02 SEP 2003 by BoyleJA>; APPROVED <03 SEP 2003 by GolinoFR>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
05 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: CIVAIR--INFORMAL TALKS WITH GOA
TAGS: EAIR, AR, US, PANAM, AEROLINEAS
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006